Non-utilisation of grant by Armed Forces

1691. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that there was a unspent balance of Rs. 109.14 crore in Army service against a sanctioned grant of Rs. 27236.76 crore (approx.) during 1999-2000;

(b) whether it is also a fact that the unspent balance in Navy and Air Force services amounted to Rs. 106.46 crore and Rs. 138.60 crore against the sanctioned grant of Rs. 3649.11 crore and Rs. 6388.23 crore respectively; and

(c) if so, what are the reasons for non-utilisation of grant by the Army, Navy and Air Force services?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (c) During 1999-2000, there was an unspent balance of Rs. 109.14 crore in respect of Grant No. 18-Army, Rs. 106.46 crore in respect of Grant No. 19-Navy, and Rs. 138.60 crore in respect of Grant No.20-Air Force as already reflected in the Appropriation Accounts (Defence Services) 1999-2000 laid on the Tables of the Parliament on 7.8.2001. Reasons for non-utilisation have already been given therein. However, major reasons are reproduced below;

(i) Army — The funds could not be utilised mainly due to non-materialisation of certain contracts, non-implementation of orders on Assured Career Progression (ACP) scheme, delay in supply of tools, plants & machinery and less expenditure on procurement of goods from abroad, etc.

(ii) Navy — The funds could not be utilised mainly due to delay in conclusion of certain contracts, delayed supply of ammunition, delayed receipt of certain electricity/tarrif bills from State Electricity Boards, delayed implementation of orders on Assured Career Progression (ACP) scheme, etc.

(iii) Air Force — The funds could not be utilised mainly due to slippage in suplies of Stores, delay in finalisation of certain projects, lower expenditure on pay and allowances than estimated and lesser expenditure on water/electricity tarrif than expected, etc.